

1 GREGORY G. KATSAS  
Acting Assistant Attorney General  
2 R. MICHAEL UNDERHILL  
Attorney in Charge, West Coast Office  
3 Torts Branch, Civil Division  
United States Department of Justice  
4 7-5395 Federal Bldg., Box 36028  
450 Golden Gate Avenue  
5 San Francisco, California 94102-3463  
Telephone: (415) 436-6648  
6 mike.underhill@usdoj.gov

7 RONALD J. TENPAS  
Assistant Attorney General  
Environment and Natural Resources Division  
8 United States Department of Justice  
Washington, DC 20530  
9 BRADLEY R. O'BRIEN  
Senior Attorney  
10 Environmental Enforcement Section  
United States Department of Justice  
11 301 Howard Street, Suite 1050  
San Francisco, California 94105  
12 Telephone: (415) 744-6484;  
Facsimile: (415) 744-6476  
13 brad.obrien@usdoj.gov

14 Attorneys for Plaintiff  
United States of America

15 UNITED STATES DISTRICT COURT  
16 NORTHERN DISTRICT OF CALIFORNIA

17 UNITED STATES OF AMERICA,

18 Plaintiff,

19 v.

20 M/V COSCO BUSAN, LR/IMO Ship No.  
9231743, her engines, apparel, electronics, tackle,  
21 boats, appurtenances, *etc.*, *in rem*, REGAL STONE  
LIMITED, FLEET MANAGEMENT LTD., and  
22 JOHN COTA, *in personam*,

23 Defendants.  
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26  
27  
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Civil No. C07-6045 SC

(AND RELATED CASES)

IN ADMIRALTY

DECLARATION OF ROBERT N.  
HILDEBRAND RE NON-PAYMENT OF  
AMOUNTS DUE

1 Robert N. Hildebrand hereby declares as follows:

2 1. I am a Case Officer assigned to the United States Coast Guard, National Pollution  
3 Funds Center, and am the Case Officer with certain responsibilities for tracking monies paid by and/or  
4 due to the Oil Spill Liability Trust Fund with respect to the COSCO BUSAN incident. As a result, I  
5 have personal knowledge of the matters hereinafter stated.

6 2. On February 20, 2008, a partial/interim demand was made to the Responsible Parties  
7 by and on behalf of the United States Coast Guard ("USCG"), National Pollution Funds Center  
8 ("NPFC"), Oil Spill Liability Trust Fund ("OSLTF"), for \$1,103,565.53. [Docket No. 56-2.] The  
9 foregoing amount represents monies owed to the Fund by the Responsible Parties as a result of the  
10 COSCO BUSAN incident. These monies did not and do not include additional amounts and debts  
11 owed by the Responsible Parties as a result of the COSCO BUSAN spill, such additional amounts and  
12 debts continuing to accrue.

13 3. On February 22, 2008, counsel for the Responsible Parties acknowledged receipt of the  
14 foregoing partial/interim demand, as well as the binder of materials that contained the details and  
15 itemization of the foregoing \$1,103,565.53. A true and correct copy of the February 22, 2008 letter  
16 is attached hereto as Exhibit "A".

17 4. As of this date, and thus more than 90 days after the February 20, 2008 partial/interim  
18 demand was made to the Responsible Parties, no part of the \$1,103,565.53 has been paid to the  
19 OSLTF.

20 I declare under penalty of perjury, and in accordance with 28 U.S.C. § 1746, that the foregoing  
21 is true and correct.

22 Dated: 25 JUNE 2008

23   
24 ROBERT N. HILDEBRAND  
25  
26  
27  
28

02/22/2008 15:42 TEL 4159817.

KEESAL, YOUNG &amp; LOGAN

002/003

LAW OFFICES  
**KEESAL, YOUNG & LOGAN**  
 A PROFESSIONAL CORPORATION

SUITE 1500  
 FOUR EMBARCADERO CENTER  
 SAN FRANCISCO, CALIFORNIA  
 94111  
 (415) 388-8000  
 FACSIMILE:  
 (415) 381-0138  
 WWW.KYLO.COM

SAMUEL A. KEESAL, JR.  
 STEPHEN YOUNG  
 MICHAEL M. GREGG  
 PETER R. DOUTIN  
 SCOTT T. PRATT  
 TERRY ROSS  
 JOHN D. GIFFIN  
 WILLIAM H. COLLIER, JR.  
 PHILIP A. McLEOD  
 NEAL SCOTT ROWE  
 BEN SUTER  
 ALBERT F. PRACOCK III  
 CAMERON STOUT  
 ROBERT J. STEINLEK  
 LISA M. BERTMAN  
 ROBERT J. ROCKS  
 MICHAEL R. FROM

ELIZABETH F. BEAZLEY  
 JOSEPH A. WALSH II  
 HERBERT K. RAY, JR.  
 JODI S. CONN  
 PHILIP R. LEMPKISREY  
 JULIE L. TAYLOR  
 STACEY MYERS GARRUTT  
 JON W. ZINKE  
 DOUGLAS R. DAVIS  
 GORDON C. YOUNG  
 ELIZABETH H. LINDER  
 KELLY J. MOYNIHAN  
 CAMEL L. MCDONNELL  
 SARAH TONG SANGHEISTER  
 MARC R. GREENBERG  
 JULIE A. KOLE  
 DAVID D. PIPER

OF COUNSEL  
 ROBERT M. LOGAN  
 RICHARD A. APPELBAUM  
 REAR ADMIRAL V. G. G. (RUTH)  
 ELIZABETH A. KENDRICK  
 RICHARD L. LANDES

SANDOR K. MATYLOA  
 DAVID W. TAYLOR  
 NANCY HARRISH  
 FRANCES L. KELLER

JOHN L. BABALA  
 ESTHER E. ONG  
 OLIVY K. PAPER  
 CATHERINE M. MORRISBY  
 CHRISTOPHER A. STECHER  
 DIANA J. COBURN  
 AUDETTE PAUL MORALEZ  
 SCOTT M. HINSORNE  
 MELANIE L. RONEN  
 BENJAMIN W. WHITE  
 BENTLEY P. STANBURY III  
 ATLANTIS TILMAN LANGOWSKI  
 JOHN D. KIMMERLEIN  
 EVELYN A. CHRISTENSEN  
 MARGARET A. DUDOVYER  
 ASHLEY YOUNG ADAMS

GARRETT R. WYNNE  
 JASON R. LINDSAY  
 JOHN COX  
 DAVID A. TONG  
 MOMO E. TAKAHASHI  
 TONY F. LONG  
 CHARLES M. BILLY  
 ANGELINI J. PAPADAKIS  
 STEFAN FEROUICH  
 AILAN LIU  
 NICHOLAS J. VIKSTROM  
 O. NANO SPERLINO  
 SAMANTHA K. SMITH  
 JAMES P. KIRNE, JR.  
 ANNE M. KOWALSKY  
 NICOLE S. SUBBI

February 22, 2008

- \* ADMITTED IN ALASKA
- 1 ADMITTED IN WASHINGTON
- 2 ADMITTED IN WASHINGTON & CALIFORNIA
- 3 ADMITTED IN ALASKA & CALIFORNIA
- 4 ADMITTED IN DISTRICT OF COLUMBIA & FLORIDA
- 5 REGISTERED FOREIGN LAWYER WITH THE LAW SOCIETY OF HONG KONG & ADMITTED IN NEW YORK
- 6 SOLICITOR ADMITTED IN ENGLAND, WALES AND NORTHERN IRELAND

ALL OTHERS ADMITTED IN CALIFORNIA

Via Facsimile - (415) 436-6632

R. Michael Underhill  
 Attorney In Charge  
 U.S. Department of Justice  
 Torts Branch, Civil Division  
 West Coast and Pacific Rim Office  
 Room 7-5395, 7<sup>th</sup> Floor  
 P.O. Box 36028  
 450 Golden Gate Avenue  
 San Francisco, CA 94102

Re: M/V COSCO BUSAN, LRMO Ship No. 9281748  
*United States of America v. M/V COSCO BUSAN, in rem, et al.*  
 N.D. Cal. - Civil No. C07-6045 SC  
 Our File No.: 2418-229

Dear Michael:

Thank you for your telefax and letter forwarding claims submitted by the United States. I confirm receipt of the claims binder forwarded with your letter.

As you know, pursuant to 33 USC Section 2713, the responsible party, Regal Stone Limited, has established a claim agency, therefore, I have forwarded the binder to that agency, Hudson Marine. I assume that Hudson Marine will review the claim and respond as appropriate.

With regard to a reservation of rights that you refer to in your letter, we can see no reason for doing so at this time. The responsible party has made no decision with regard to claims to the Oil Spill Liability Trust Fund. Such a decision will be made at a later date.

LONG BEACH OFFICE  
 480 OCEANGATE  
 P.O. BOX 1730  
 LONG BEACH, CA 90801-1730  
 (562) 436-2000  
 FACSIMILE: (562) 436-7415

ANCHORAGE OFFICE  
 SUITE 600  
 1029 WEST THIRD AVENUE  
 ANCHORAGE, AL 99501-1264  
 (907) 278-8667  
 FACSIMILE: (907) 278-9239

SEATTLE OFFICE  
 SUITE 1915  
 1901 FIFTH AVENUE  
 SEATTLE, WA 98101  
 (206) 522-3750  
 FACSIMILE: (206) 543-8039

HONG KONG OFFICE  
 1603 THE CENTRE MARK  
 297 QUEEN'S ROAD CENTRAL  
 HONG KONG  
 (852) 2554-1718  
 FACSIMILE: (852) 2551-5169

02/22/2008 15:42 TEL 4159817

KEESAL, YOUNG & LOGAN

003/003

R. Michael Underhill  
Attorney In Charge  
February 22, 2008  
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Re: M/V COSCO BUSAN, LRMO Ship No. 9281743  
United States of America v. M/V COSCO BUSAN, in rem, et al.  
N.D. Cal. - Civil No. C07-6045 SC  
Our File No.: 2418-229

In your letter, you appear to paraphrase our client's intent. I am somewhat confused by the quotations in your letter. During our various discussions I hope that I had made it clear to you that no decisions have been made by the Responsible Party with regard to recovery from any fund. I assume that the statements which you paraphrased in your letter are yours. They are not mine.

Also, I am perplexed by the statement in your letter that the Responsible Party must make reservations "explicitly." We are not familiar with such a requirement particularly with regard to your statement that if the Responsible Party fails to make "explicit" reservations then you would consider them "permanently to be *waived as a matter of fact and law.*"

I am not familiar with the facts or law you refer to in your letter. I would appreciate your providing us with a reference to the law which you cite and a brief statement of the facts which you rely on.

Very truly yours,



John D. Giffin

JDG:mpm (KYL\_SF460176)  
02/22/2008